



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

SEP 30 2014

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Bruce Schwiebert
Technical Manager
POET Biorefining - Leipsic
3875 State Route 65
Leipsic, Ohio 45856

Re: Administrative Consent Order, EPA-5-14-113(a)-OH-05

Dear Mr. Schwiebert,

Enclosed is an executed original of the Administrative Consent Order regarding the above captioned case. If you have any questions about the Order, please contact me at (312) 886-3850.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan Frank", with a long horizontal flourish extending to the right.

Nathan Frank
Chief
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosure:

cc: Mark Budge, Ohio Environmental Protection Agency
Robert Hodanbosi, Ohio Environmental Protection Agency

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

In the Matter of:)	EPA-5-14-113(a)-OH-5
)	
Summit Ethanol, LLC d/b/a)	Proceeding Under Sections 113(a)(3)
POET Biorefining - Leipsic)	of the Clean Air Act, 42 U.S.C.
Leipsic, Ohio)	§ 7413(a)(3)
)	
_____)	

Administrative Consent Order

1. The Director of the Air and Radiation Division, U.S. Environmental Protection Agency (EPA), Region 5, is issuing this Order to Summit Ethanol, LLC, doing business as POET Biorefining - Leipsic (POET), under Section 113(a)(3) of the Clean Air Act (CAA), 42 U.S.C. § 7413(a)(3).

Statutory and Regulatory Background

Federally Enforceable State Operating Permit Program

2. On March 10, 2003, EPA approved Ohio Administrative Code (OAC) Rule 3745-31-05 as part of the federally-enforceable Ohio State Implementation Plan (Ohio SIP). 68 Fed. Reg. 29009.

3. OAC Rule 3734-31-05 authorizes the Ohio Environmental Protection Agency (Ohio EPA) to issue federally-enforceable Permits-to-Install (PTI) and Permits-to-Install and Operate (PTIO) with such terms and conditions as are necessary to ensure compliance with applicable laws and to ensure adequate protection of environmental quality.

Title V Permit Program

4. Title V of the CAA, 42 U.S.C. §§ 7661-7661f, established an operating permit program for major sources of air pollution.

5. In accordance with Section 502(b) of the CAA, 42 U.S.C. § 7661a(b), the EPA promulgated regulations establishing the minimum elements of a Title V permit program for any air pollution control agency to administer. See 57 Fed. Reg. 32295 (July 21, 1992). Those regulations are codified at 40 C.F.R. Part 70.

6. Section 502(d) of the CAA, 42 U.S.C. § 7661a(d), provides that each state must submit to the EPA a permit program meeting the requirements of Title V.

7. On August 15, 1995, EPA approved the State of Ohio Title V operating permit program with an effective date of October 1, 1995. See 40 C.F.R. Part 70, Appendix A.

8. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b) provide that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate except in compliance with a Title V permit.

9. 40 C.F.R. § 70.6(b)(1) provides that EPA may enforce all terms and conditions in a Title V permit.

POET PTI and PTIO Requirements

10. Ohio EPA issued a Permit-to-Install, No. 03-17416, to the POET facility located in Leipsic, Ohio (the Facility) on May 29, 2008, with an effective date of May 29, 2008 (May 2008 PTI).

11. Emission Unit P007 (P007) Condition A(2)2a.i. of the May 2008 PTI requires the operation of a wet scrubber with a minimum control efficiency of 95% for volatile organic compound (VOC) emissions at P007 in order to meet Best Available Technology (BAT) control requirements.

12. Ohio EPA issued a Permit-to-Install and Operate, No. P0105657, to the Facility on December 11, 2009, with an effective date of December 11, 2009 (December 2009 PTIO).

13. Condition 2(b)(2)a.i. of the December 2009 PTIO requires the operation of a wet scrubber with a minimum control efficiency of 95% for VOC emissions at P007 in order to meet BAT control requirements.

14. Ohio EPA issued a PTIO, No. P0107812, to the Facility on June 27, 2011, with an effective date of June 27, 2011 (June 2011 PTIO).

15. Condition 3(c)(1)(a) of the June 2011 PTIO requires the use of a wet scrubber meeting a minimum control efficiency of 95% for VOC emissions at P007.

16. Ohio EPA issued a PTIO, No. P0109426, to the Facility on June 19, 2012, with an effective date of June 19, 2012 (June 2012 PTIO).

17. Condition 1(b)(1)a. of the June 2012 PTIO states that during scrubber downtime, VOC emissions shall not exceed 600 pounds per hour (lbs/hr) at P007.

18. Ohio EPA issued a PTIO, No. P0110730, to the Facility on August 23, 2012, with an effective date of August 23, 2012 (August 2012 PTIO).

19. Condition 1(b)(1)a. of the August 2012 PTIO states that during downtime of the scrubber, VOC emissions shall not exceed 600 lbs/hr at P007.

Title V Permit Requirements

20. Ohio EPA issued a Title V Permit, No. P0110380, to the Facility on December 24, 2012, with an effective date of January 14, 2013 (Title V Permit).

21. Condition 4(b)(1)a. of the Title V Permit states that during downtime of the scrubber, VOC emissions shall not exceed 600 lbs/hr at P007.

Findings

22. POET owns and operates an ethanol production plant located at 3875 State Route 65, Leipsic, Ohio (the Facility).

23. The Facility describes P007 as “ethanol production,” which includes mash and slurry tanks, fermenters, a beer well, a distillation column, a stripper, a rectifier, and an evaporator.

24. A scrubber and regenerative thermal oxidizer (RTO) in series control emissions from P007.

25. Emissions from P007 that bypass the scrubber are not routed to the RTO such that, during periods of scrubber downtime, emissions from P007 are directly vented to the atmosphere.

26. In December 2011, POET conducted a performance test at the scrubber (2011 Performance Test) which identified a VOC loading rate to the scrubber of 763.56 lbs/hr. The VOC loading rate to the scrubber is the VOC emission rate from P007 during periods of scrubber downtime.

27. On March 20, 2014, EPA issued to POET a Notice of Violation (NOV) alleging that the venting of emissions from P007 directly to the atmosphere violated P007 Condition A(2)2a.i. of the May 2008 PTI, P007 Condition 2(b)(2)a.i. of the December 2009 PTIO, and P007 Condition 3(c)(1)(a) of the June 2011 PTIO and, further: that the VOC emissions exceeding 600 lbs/hr during periods of scrubber downtime from June 19, 2012, through August 22, 2012 violated Condition 1(b)(1)a. of the June 2012 PTIO; that the VOC emissions exceeding 600 lbs/hr during periods of scrubber downtime from August 23, 2012, through January 13, 2013 violated Condition 1(b)(1)a. of the August 2012 PTIO; and that the VOC emissions exceeding

600 lbs/hr during periods of scrubber downtime January 14, 2013, through the present violate Condition 4(b)(1)a. of the Title V Permit.

28. On May 22, 2014, representatives of POET and EPA discussed the March 20, 2014, NOV.

Compliance Program

29. By one year after the effective date of this Order, POET must achieve, demonstrate, and maintain compliance with its Title V operating permit at its Leipsic, Ohio facility.

30. On or before October 3, 2014, POET must apply for a permit modification from the Ohio EPA requesting that when the scrubber controlling emissions from P007 is bypassed or is not operational for any reason, all emissions from P007 are routed directly to the RTO.

31. Within 60 days after the approval of the modification by Ohio EPA, POET must modify the existing ductwork at P007 such that, when the scrubber controlling emissions from P007 is bypassed or is not operational for any reason, all emissions from P007 are routed directly to the RTO.

32. Within 30 calendar days following completion of the modification described in Paragraph 31 above, POET must send a notification to EPA containing any plans, contracts, work orders or receipts for the work, evidence of the work completed (such as photographs or other documentation), and a narrative description of the modification.

33. Within 65 calendar days after the completion of the modification described in Paragraph 31 above, POET must test the emissions from the RTO under conditions when the scrubber is not operating. Testing at the RTO shall determine both the VOC emission rate and the VOC destruction efficiency by sampling at the inlet and outlet while operating at maximum

capacity and under representative conditions using Method 18 and Method 25 or 25A. Within 30 days of completing the testing, POET must send EPA a complete copy of the testing results.

34. POET must send all reports required by this Order to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

General Provisions

35. This Order does not affect POET's responsibility to comply with other federal, state and local laws.

36. This Order does not restrict EPA's authority to enforce the Ohio State Implementation Plan, the facility's Title V Permit, or any other section of the CAA.

37. Nothing in this Order limits the EPA's authority to seek appropriate relief, including penalties, under Section 113 of the CAA, 42 U.S.C. § 7413, for POET's violation of any Facility PTL, PTIO or Title V Permit.

38. Failure to comply with this Order may subject POET to penalties of up to \$37,500 per day for each violation under Section 113 of the CAA, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

39. This Order is binding on POET, its assignees and successors. POET must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that it has given the notice.

40. POET may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information submitted to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R.

Part 2, Subpart B. If POET fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the CAA, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

41. EPA may use any information submitted under this Order in an administrative, civil judicial or criminal action.

42. POET agrees to this Order.

43. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate two years from the effective date, provided that POET has complied with all terms of the Order throughout its duration.

9-24-14

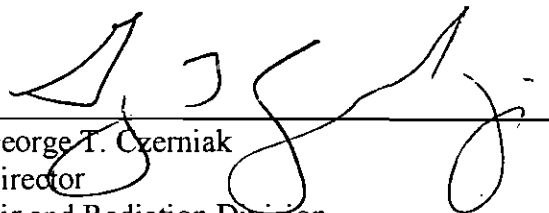
Date



Name and title, printed: Mark A. Borer
General Manager
POET Biorefining – Leipsic

9/25/14

Date



George T. Czerniak
Director
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent the Administrative Consent Order, EPA-5-14-113(a)-OH-[#], by certified mail, return receipt requested, to:

05

Bruce Schwiebert
Technical Manager
POET Biorefining - Leipsic
3875 State Route 65
Leipsic, Ohio 45856

I also certify that I sent a copy of the Administrative Consent Order, EPA-5-14-113(a)-OH-[#], by first-class mail to:

Mark Budge
Ohio EPA/DAPC
Northwest District Office
347 N Dunbridge Rd
Bowling Green, OH 43402

Robert Hodanbosi, Chief
Division of Air Pollution Control
Ohio Environmental Protection Agency
Lazarus Government Center
P.O. Box 1049
Columbus, Ohio 43216

On the 1 day of October 2014.

Loretta Shaffer

Loretta Shaffer
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT
NUMBER:

7009 1680 0000 7663 9453